Application No. 09/849448 (Docket: DT.0104)
37 CFR 1.111 Amendment dated 09/28/2005
Reply to Office Action of 06/28/2005

program modules that are executed on a ~~Windows~~ WINDOWS NT®- ~~or Unix~~ or UNIX®- based operating system.

Please delete the section entitled "CROSS-REFRERNCE TO RELATED APPLICATIONS" in its entirety and substitute the following section therefor:

CROSS-REFERENCE TO RELATED APPLICATIONS

[0001] This application is related to the co-pending U.S. Patent Application Serial Number ~~——————————(Docket——DT:010309~~/849,616 (Docket: DT.0103), entitled Interface for Merchandise Price Optimization, having a common assignee, common inventors, and filed on the same day as this application. The cop-pending application is herein incorporated by reference

Please delete the section entitled "SUMMARY OF THE INVENTION" in its entirety and substitute the following section therefor:

SUMMARY OF THE INVENTION

[0012] The present invention provides a superior technique for configuring an optimization scenario, determining an optimum promotion strategy for products within a product category, and for displaying the optimum promotion strategy. Contrasted with present day optimization systems that consider only gross figures in their respective optimizations, promotion plans according to the present invention can be optimized to maximize merchandising figures of merit (e.g., net profit) that take into account demand chain costs associated with the products.

[0013] In one embodiment, an apparatus is provided for determining an optimum promotion plan for merchandising of products for sale. The apparatus includes a scenario/results processor that enables a user to prescribe an optimization scenario, and that presents the optimum promotion plan to the user, where the optimum promotion plan is determined by execution of the optimization scenario, and where the optimum promotion plan is determined based upon estimated product demand and calculated activity based costs, where the calculated activity based costs include fixed and variable costs for the products for sale. The scenario/results processor has an input/output